

Treasurer Davis Applauds Signing of the American Rescue Plan Act of 2021

Says Delaware is positioned well for recovery

President Biden has signed the American Rescue Plan Act of 2021, the \$1.9 trillion economic stimulus package aimed to help the country's economy return to pre-COVID strength. Delaware State Treasurer Colleen Davis believes the plan will play a big role in helping Delawareans.

"Those who need the most help should benefit quickly as the plan calls for \$1,400 direct payments to most Americans and their dependents," Davis said. "Individual taxpayers making up to \$75,000 (or joint filers making up to \$150,000) will receive the full amount. It also expands the child tax credit for one year, increasing to \$3,600 for children under 6 and to \$3,000 for kids between 6 and 17, with half of that money available in advance with payments to families from July 2021 to December 2021."

The legislation also helps those who are out of work and finding it hard to pay for necessities like groceries. The \$300 per week unemployment supplement remains in place until September 6th, with the first \$10,200 in jobless benefits being tax-free, and the Supplemental Nutrition Assistance Program benefit increases by 15% through September.

"Another important element of the American Rescue Plan Act is much needed aid to employers," according to Davis. "The restaurant industry, which has been hit so hard here in Delaware and around the country, receives approximately \$30 billion dollars, with the legislation also expanding tax credits aimed at allowing companies to keep employees on their payrolls."

Other provisions of the American Rescue Plan Act include:

- \$350 billion in relief to state, local and tribal governments,
- \$25 billion in rental and utility assistance and about \$10 billion for mortgage aid
- \$120 billion to K-12 schools
- \$20 billion into Covid-19 vaccine manufacturing and distribution, along with roughly \$50 billion into testing and contact tracing.

According to Treasurer Davis, "We are in discussions with officials in the U.S. Treasury and are standing by, ready to receive the funds, and put them to use here in Delaware."

Treasurer Davis stressed that while we've all felt the negative effects of the economy over the past year, a lot of hard work and forethought has positioned Delaware very well.

"We have strong fiscal controls in place which not only protect us financially as we come out of these tough times, but also instill enough confidence to allow the State to maintain its Triple-A bond rating," Davis said. "Responsible budgeting, the establishment of the Budget Stabilization Fund and the State's Rainy Day Fund have certainly provided much needed insurance through the pandemic."